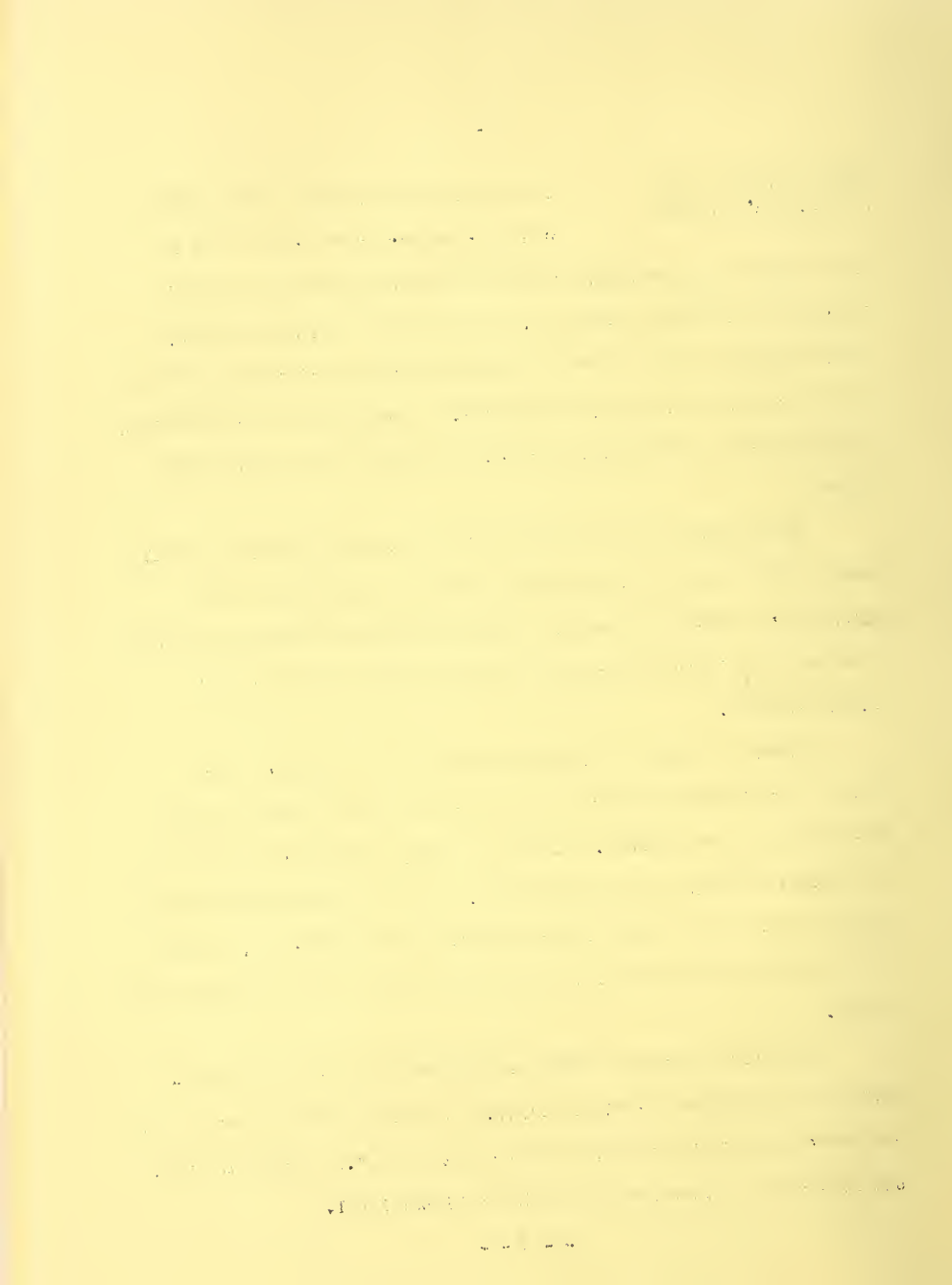


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SHORTS & FEATURES



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FARMERS GUIDE AGRICULTURAL POLICIES THRU REFERENDA

The nation-wide farm referenda held in connection with the adjustment programs of the Agricultural Adjustment Administration have proved an effective method by which farmers may make their voices heard in formulating and directing national agricultural policy.

In the last year five referenda have been held, and the sixth, a referendum which will have an important bearing on continuance of corn-hog adjustment in 1936, is scheduled for October 26. A total of 3,102,966 votes have been cast in the referenda thus far held, and of this total 2,682,800 votes were cast in favor of continuing agricultural programs.

The referenda which have been held, and the votes, were as follows: (1) on the continuance of the corn-hog program in 1935, more than half a million farmers voted, casting 374,000 votes in favor, and 150,000 votes against; (2) on the continuance of the Bankhead Cotton Act in 1935, more than 1,500,000 farmers voted, with 1,361,000 votes in favor, and 160,000 against; (3) on continuance of the Kerr-Smith Tobacco Act in 1935, nearly 400,000 farmers voted, 370,000 for the plan, and 24,000 against; (4) on continuance of adjustment for wheat, 466,651 farmers voted, 404,270 in favor of continuance, and 62,291 against; and (5) on

continuance of various tobacco adjustment programs a total of 184,288 farmers voted, of which 171,691 favored continuance and 12,597 were opposed .

The referenda, according to AAA officials, have a definite value. First of all, they register unmistakably the definite majority opinion of farmers regarding a question of whether or not a certain type of production adjustment should be put in effect or continued. The referendum returns are a crystallization of opinion. Farmers, through their vote in a referendum, indicate in general what they favor and leave the administrative details to be worked out by the responsible authorities. By thus taking the problem affecting the particular crop direct to the farm, the referenda help farmers keep up to date on the broad agricultural problems affecting the crops they grow. Discussion meetings are held before each referendum at which all phases of the national and international situation regarding a crop are taken up. These meetings are open to all interested persons and people opposing a program have as full an opportunity to express their views as those who are in favor of continuing programs. The arguments for and against the question on the referendum are threshed out by the farmers, who thus gain a clearer idea of the factors involved. Following the meetings, there usually is a period during which farmers have the opportunity to consider the point brought up in the discussion and to reach their decision before the time comes for them to cast their vote.

A referendum gives farmers more experience in community leadership. Practically the entire task of handling a referendum in the field is done by the farmers themselves. They arrange the meetings, lead the discussions, conduct the polling, and count the votes. With this experience they are building a substantial foundation for an economic democracy in which the will of the producers is effectively registered from time to time.

When a referendum is concerned with a single question, there is little opportunity for appeals to prejudice or catchwords to be used to confuse the voting farmers. Arguments both for and against the programs have to be centered on a single question. This leaves room for honest differences of opinion, but insures that the decision will be made on the basis of the question at issue.

From the experience gained in the referenda held so far, farmers, working in cooperation with Agricultural Adjustment Administration, have worked out a definite referendum procedure. This procedure is designed to give every farmer an opportunity to consider fully the question which is to be voted upon, and to discuss it with his neighbors before the time comes for him to cast his vote.

In the referenda farmers are developing a new way of dealing with the rapidly changing and increasing complex economic factors which affect their business. They realize more than ever that individually they cannot solve the problems which confront agriculture, and that it is only through some such method as the referendum that they can make a united attack upon these problems.

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INDUSTRY REDUCED PRODUCTION
BEFORE AGRICULTURAL ADJUSTMENT

Agriculture did not restrict its production during the depression, but industry at that time made much more severe cuts in production than agriculture has since attempted. In 1932, the physical production of farm products was 99 percent of 1929. The production of industrial products was cut to 54 percent of 1929. By maintaining their production, at a time when industry was reducing, farmers suffered a reduction of 58 percent in cash income. Industry, cutting its production by 46 percent, suffered a reduction of only 37 percent in income.

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WORKERS INCOMES INCREASE
AS ARE FOOD PRICES

As far as the employed factory worker is concerned, there is now a fair balance between earnings, food prices, and non-food living costs, as compared to 1928. Between 1928 and 1933 earnings per worker fell 40 percent, but food prices also fell 40 percent. Non-food items of the cost of living fell only 20 percent. Since 1933, however, non-food costs have remained practically unchanged, at 83 percent of 1928 levels, while workers earnings have advanced to 83 percent. Food prices have also advanced to about 80 percent of 1928 levels. Thus the worker can buy as much, or more, food as he could in 1928.

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FARMERS CARRY OUT
ADJUSTMENT CONTRACTS

The experience of the AAA has been that when a farmer signs a contract to adjust his agricultural production, he intends to fulfill his obligation. Of all the 3,128,000 contracts in effect, violations have amounted to not more than 5/100 of one percent.

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CHECKS FOR FARMERS
WRITTEN BY MACHINES

The Agricultural Adjustment Administration was the first agency of the government permitted to use tabulating card checks and automatic check singers with facsimilie signatures. The check-writing machines can turn out 75,000 checks per day. More than 16 million checks, representing over \$950,000,000 have been written in 2½ years. Farmers are urged by the AAA not to fold or crumple their checks, which also are punch cards, and if in good shape when returned to the Treasury after payment, can be automatically accounted and filed by machines. From 95 to 98 percent of the checks returned to the Treasury are in such good condition that they can be sorted and tabulated by machines.

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FAIR-EXCHANGE VALUE, NOT
A LEGISLATIVE MEASURE

Congress, in passing the Agricultural Adjustment
Act, declared that the yardstick of what is a

fair deal for farmers is the purchasing power of his products, rather than any one
price.

Suppose wheat, which has been selling at \$1, doubled in price, and sold
at \$2 instead. If at the same time the articles the farmers must buy tripled in
price, wheat at \$2 would represent less actual purchasing power than it had
formerly at \$1.

Fair-exchange value, or parity, is specified in the Adjustment Act as
the price that will give farm products the same purchasing power per unit that
they had in 1909-1914. This period was sought as a basis for fair-exchange value
because there seemed to be a stable relationship at that time between the prices
of things farmers sold and the prices of the articles they purchased. As parity
thus represents a relationship in prices, it does not mean any fixed prices, but
may move upward or downward from month to month, as the cost of articles farmers
buy increases or decreases, and as the price of the things they sell increases or
decreases.

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CHILD LABOR TO END
IN U.S. SUGAR FIELDS

United States farmers who enter into sugar-beet
and sugarcane adjustment contracts under the

Agricultural Adjustment Administration sugar program agree that they will not
hire children under 14 years of age to work in their beet and cane fields, and
that children from 14 to 16 years of age who may be hired will not be worked for
more than 8 hours a day.

The child labor provisions of the contracts apply only to children who
are employed by a producer and do not apply to the children of the producer
who enters into an adjustment contract.

In the past, child labor has been prevalent in many of the United States
sugar growing regions.

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NEARLY HALF OF NATIONS'
FARMS GROW POTATOES

The potato, which has attracted national attention since passage by Congress of the Potato Control Act of 1935, is grown upon 2,982,667 farms, or about half of the 6,288,658 farms in the United States. Of these, 633,315 report potato sales. In the period 1923-4, U. S. potato acreage averaged 3.25 millions, and production averaged 353.8 millions of bushels. Since 1927 the crop has had a value varying from as high as 400 million dollars to as low as 141 million dollars. Statistical analysis has shown that: (1) large crops bring less money to growers than small or medium-sized crops; (2) following low prices small crops usually result, which sell for a high price; (3) following high prices large crops result, which sell for low prices; and (4) when crops are large, farm prices decline more than consumer prices.

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DEFINITION OF A
MARKET AGREEMENT

A marketing agreement is a voluntary contract between the Secretary of Agriculture and processors, producers, or others engaged in handling of an agricultural commodity under which it is sought to increase returns to producers of that commodity. Increased returns are sought in various ways best adapted to the particular commodity and situation, but in most agreements promotion of orderly marketing through volume regulation is used in some form. In some agreements volume regulation may be supplemented by regulation of quality that may be sold, or surplus control.

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